

Application for Transfer of S Corporation
1997 Overpayments to Shareholders

1997

3833

For calendar year 1997 or fiscal year beginning **MMDD1997**, and ending **MMDD19YY**.

Corporation name

California corporation number

Street address

Federal employer identification number

City

State

ZIP code

General Instructions

Legislation enacted in October 1997 allows a corporation that has elected or will elect S corporation status for California purposes to request a portion of its estimated tax payments be transferred to the personal income tax accounts of its shareholders. Transfers are allowed only for income years beginning in 1997, and only if the total amount to be transferred is at least \$500. Transfers are applied to each shareholder's tax liability only for the taxable year beginning in 1997.

S corporations must use form FTB 3833 to request the transfer of corporate estimated tax payments to shareholders. However, form FTB 3833 may not be used to request a refund or credit of estimated tax payments to the corporation. A refund or credit must be requested on the corporation's tax return.

If the total amount available to transfer from the corporation to its shareholders is less than the amount requested, the Franchise Tax Board (FTB) will allocate the available amount among the shareholders on a pro rata basis, according to the percent of ownership stated on form FTB 3833. If the S corporation uses a fiscal year, the transfer will apply to the shareholder's tax liability for 1998.

Notification to Shareholders

The corporation must furnish to each shareholder whose name is listed on form FTB 3833 a statement showing amounts and dates of the payments being transferred to the shareholder's personal income tax account.

The amount transferred will have the same payment date of the S corporation's estimated tax payments.

Specific Line Instructions

Part I

Line 1b – Include in the amount on line 1b any S corporation Schedule D taxes or tax on excess net passive income that is assessed at the 8.84% rate (10.84% for financial corporations).

Line 1c – The sum of the amounts entered on line 1c must equal or exceed \$500 for the transfer to be approved.

Line 3 – Enter the estimated tax payment that applies to the date shown on line 2 for the same column.

Line 4 – Enter the portion of the amount entered on line 1b to be applied to the quarterly installment of estimated tax due for the S corporation. The amount for the first quarter may not be less than the \$800 minimum tax.

Part II

Enter the name, address, social security number or federal employer identification number (FEIN), percentage of ownership and the amount of overpayment to be transferred to each shareholder for each payment.

If the number of shareholders has changed during the income year, resulting in changes to ownership percentages, attach a schedule showing the percentage of ownership on the date of each estimated tax payment for each shareholder of record as of that date.

Total transferred to shareholders. Be sure to enter the total amount of overpayments to be transferred on Side 4. The total transferred may not exceed the amounts on Side 1, line 5.

Mail to: FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO, CA 94257-0500

Part I Computation of Overpayment

1a	Total estimated tax payments paid for income year beginning in 1997	1a	
1b	S corporation estimated tax liability for income year beginning in 1997. Enter an amount equal to 1.5% (financial corporations use 3.5%) of the corporation's estimated net income or the applicable minimum tax, whichever is greater	1b	
1c	Amount available for transfer to shareholders. Subtract line 1b from line 1a	1c	
2	Enter in columns (a) through (d) the date of each estimated tax payment for the income year beginning in 1997.	(a)	(b)
3	Enter in columns (a) through (d) the amount of each estimated tax payment made on the date shown on line 2. The sum of the amounts entered on this line should equal the amount on line 1a	(c)	(d)
4	Amount of payment to be applied to S corporation estimated tax. The sum of the amounts entered on this line should equal the amount on line 1b	(not less than) minimum tax	
5	Amount available for transfer to shareholders. The sum of the amounts entered on this line may not exceed the amount on line 1c.		
FOR FTB USE ONLY			

Signature of Officer or person completing form _____ Date _____

Print name _____ Telephone _____

[illegible]

[illegible]

[illegible]

TOTAL TRANSFERRED TO SHAREHOLDERS: (May not exceed the amounts on Side 1, line 5. If the total amount available to transfer is less than the amount requested, the FTB will allocate the available amount among the shareholders on a pro rata basis according to the percent of ownership.)